

## **REMARKS**

Original claims 1 – 36 are pending. No new matter has been introduced by this amendment into the specification and/or claims.

Applicant appreciates the prompt and thorough review given by the Examiner. In response, Applicant has given the Office Action very careful consideration, and the above amendments and remarks below are intended to fully address each concern raised by the Examiner. Accordingly Applicant submits that the present case should be in condition for allowance.

The rejections are addressed through a combination of traverse, amendment and argument as noted below. Briefly:

- the double patenting rejections are addressed through a terminal disclaimer filed herewith; this should render the issue moot at this time;
- Claim 26: the word “concerning” has been corrected;
- The single prior art § 103 rejection based on Hastings et al (6584450) taken with Ostrom (and other official notices) is also addressed through specific amendments and arguments which clearly define patentable subject matter over any such teachings provided by such combination.

Reconsideration and favorable action is thus requested.

### **Rejection under §103 – Claims 1 - 34**

The Examiner has cited the combination of Hastings (6,584,450) taken in combination with Ostrom (Mercury News article, July 7, 2002) as making the present claims obvious. In some instances the Examiner has also relied on Official Notice as well as discussed below.

While Applicant believes there are several significant differences between the claims and the cited references, and there is a significant lack of suggestion/motivation to combine, the present discussion focuses primarily on the fact that it can be seen quite plainly that the Ostrom reference does not in fact teach “...modifying the subscriber queue based on a confirmation from the subscriber...” Accordingly a rejection under § 103 is improper; to make this distinction more clear nonetheless Applicants have amended the claim to further define over the reference.

Ostrom merely explains the state of affairs in this technology in June 2002; namely, that subscribers had to constantly monitor and adjust their queues – on their own – to make sure that they received new titles. Thus Ostrom says nothing about automatically determining whether an “additional playable media item” should be added to the queue. It is merely repeating the fact that subscribers could add such items manually. Similarly Ostrom does not “automatically” modify the subscriber queue, this is something that user must do on their own again. Finally, claim 1 has also been amended to read that the subscriber delivery queue is “...maintained automatically for the subscriber to always include at least one playable media item which could be delivered to such subscriber.” This behavior provides the operational advantage again that the subscriber need not worry about checking or maintaining the queue to ensure an uninterrupted flow of movies. In some cases, as the Examiner can see from reviewing Hastings and the other prior art, movies for the subscriber can be skipped (because they are unavailable, or allocated to other users) leaving the subscriber with potentially no titles for delivery. This is undesirable since it can lead to customer dissatisfaction.

Consequently it is submitted that claim 1 clearly differentiates over the prior art of record and should be in allowable condition.

#### Dependent claims 2 – 34

The dependent claims should be allowable for at least the same reasons as above. Moreover, these claims should be allowable for the additional reasons set forth below.

Claims 4 - 6: the Examiner will note that Ostrom is not referring to an “additional playable media item”; it is referring to re-arranging a preexisting item in the subscriber’s queue, or letting the subscriber add something manually. Thus, it does not teach permitting the subscriber to define the automatic insertion point of a new item.

As concerns the “official notice” taken by the Examiner for the claims; in many instances the Applicant does not agree with the conclusion, but has not challenged the same. For example, Applicant does not argue the separate patentability of claims 20, 21, 25, 26, 27, 32, 33 and 34, but believes they should be allowable nonetheless for the reasons set forth above for claim 1.

For claims 5, 6 (page 9): Applicant does traverse the rejection for the following reasons. First, Applicant submits that the Examiner has not applied the requirements attendant to this principle in an adequate fashion. According to MPEP 2144.03 "...official notice without documentary evidence to support an examiner's conclusion is permissible only in some circumstances. Official notice unsupported by documentary evidence should only be taken by the examiner where the facts asserted to be well-known, **or to be common knowledge in the art** are capable of instant and unquestionable demonstration as being well-known. As noted by the court in *In re Ahlert*, 424 F.2d 1088, 1091, 165 USPQ 418, 420 (CCPA 1970), the notice of facts beyond the record which may be taken by the examiner must be "capable of such instant and unquestionable demonstration as to defy dispute" (citing *In re Knapp Monarch Co.*, 296 F.2d 230, 132 USPQ 6 (CCPA 1961)).

In the case of claims 5 and 6 the "Official Notice" is clearly too broad, as the Examiner cites that it is "...well known to add items to the top or bottom of a list, according to circumstances..." However, the Examiner fails to consider that the case law above requires that this basic statement must be tied to the specific field of **art** in question, and not to some general common knowledge. In this instance the Examiner will note that the references in this field of art of playable media item distribution in fact say nothing at all about giving a subscriber a preference at all concerning the location of a new item, let alone whether it should be at the top or bottom of their queue. Accordingly Applicant does not agree that this fact has been unquestionably demonstrated as to defy dispute.

For claim 8: the Applicant agrees that neither Hastings nor Ostrom teach notifying a subscriber of an item selection. Nevertheless since they do not perform step (d) of claim 1 either, this is a moot point.

For claims 9, 11, 12, 14: again, as concerns the official notice taken by the Examiner for claims 9, 11, 12, 14 (pages 10 - 11): Applicant traverses the same for the following reasons. As above, Applicant submits that the statement by the Examiner is not properly connected to this field of art. Moreover the Examiner can in fact determine that the conventional playable media rental services in fact did not provide such

notification at the time of the filing of the application, despite the fact that at least one of them (Netflix) had been in operation for several years. Consequently the Applicant does not agree that this is an unquestionable fact in this area of technology. More specifically for claims 12, 14 as the Examiner agrees (see claim 8) the prior art does not sent out a notification of any kind, and thus teaches away from the invention of these claims.

Similarly for claim 13: the official notice is traversed, because the Examiner has not connected this particular alleged undisputed fact to this field of technology. Moreover as the Examiner can verify, the prior art in fact works quite different to this claim, suggesting in fact that it is entirely non-obvious. In the prior art the movies are sent out, and as they are returned, another one is sent out as soon as possible or practical given logistical constraints. In contrast, claim 13 specifically indicates that a predefined time delay is always interposed, which period could be the next business day for example to allow for more predictable behavior/deliveries and management of customer expectations.

For claim 16: see above; the Applicant traverses this taking of Official notice for substantially the same reasons. The Examiner can again verify that commercial services for media rentals at the time of the filing of the invention did not offer such functionality. In fact, for reasons which are readily apparent, such services may have believed it was more economically advantageous to not inform subscribers of deficiencies in their queues, again, teaching away from the invention of claim 16.

Claims 17, 19: while Hastings discloses a recommender system, it does not describe that such system automatically adds titles to the subscriber's queue. Furthermore, Hastings says nothing about bumping a recommended title to the top of the queue, as set out in claim 18.

Claim 22: this claim has been further amended to distinguish over the prior art, none of which teaches or suggests setting up the queue in this fashion.

Claim 35: this claim has been amended similarly to claim 1 and should be allowable for the same reasons. Moreover this claim states that the monitoring is done automatically and includes "... analyzing the content and/or characteristics of other playable media items within said subscriber selection queue..." to determine what changes should be made, if any to the same. This limitation is also not taught or suggested in the prior art, and is yet another reason why this claim should be allowed.

Claim 36 has been amended as well and should be allowable for substantially the same reasons articulated above.

### Conclusion

The Applicant has fully addressed all the outstanding rejections, and submits that the above should place the present case in condition for allowance.

A petition and fee for a three month extension of time is also enclosed. Please charge any additional fees to deposit account no. 501-244. Should the Examiner wish to discuss anything related to this case in person, feel free to contact the undersigned at any convenient time.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "J. Nicholas Gross".

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